

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

August 23, 2011

LEASE No. GS-09B-02868

THIS LEASE, made and entered into this date **Jeffrey Melichar**

whose address is: **11712 Moorpark Street, Suite 201B**
Studio City, California, 91604-2163

and whose interest in the property hereinafter described is that of OWNER, hereinafter called the LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the GOVERNMENT:

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:
9,362 rentable square feet (r.s.f.), yielding approximately 9,087 ANSI/BOMA Office Area square feet and related space located at 950 Hampshire Road, Thousand Oaks, California 91361-2819 as depicted on the attached Exhibit A ("Site Plan"), to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a term beginning August 1, 2011 through July 31, 2021, subject to termination rights as set forth for the terms as follows.

3.

The Government shall pay the Lessor annual rent on a monthly basis in arrears as follows for:

Years 1 through 5 annual rent of \$312,971.66 at the rate of \$26,080.97 per month in arrears;
Years 6 through 10 annual rent of \$306,418.26 at the rate of \$25,534.86 per month in arrears;

Rent for a lesser period shall be prorated. Rent shall be payable to:

Jeffrey Melichar
11712 Moorpark Street, Suite 201B
Studio City, California, 91604-2163

4. The government may terminate this lease at any time after the fifth (5th) year of this lease by giving at least 60 days' prior notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of the mailing.

5. PARAGRAPH 5 IS INTENTIONALLY OMITTED.

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:

- A. The parking spaces as described in Paragraph 1 and parking spaces required by local code.
- B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's approved Design Intent Drawings. Rent is subject to adjustment in accordance with Paragraph 3.3, "Tenant Improvement Rental Adjustment" of the SFO. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. OCA2339 and its attachments.
- C. Adequate space for telecommunications antennae and transmission devices in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.

7. The following are attached and made a part hereof:

All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:

- a) Sheets numbers 1 – 3 containing paragraphs 9- 22, 2 pages;
- b) Solicitation for Offers Number OCA2339 dated 4/06/11, 50 pages;
- c) Special Requirements – 2 pages;
- d) General Requirements – 14 pages
- e) Pre-Lease Building Security Plan, 4 pages;
- f) GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05), 33 pages;
- g) GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07), 7 pages;
- h) Exhibit A — “Floor Plan”, 1 page;

8. The following changes were made in this lease prior to its execution:

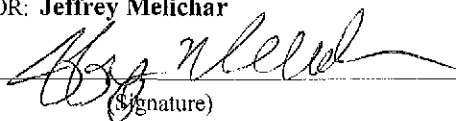
Paragraph 5 of this STANDARD FORM 2 was deleted in its entirety. Paragraphs 9 through 24, have been added.

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IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

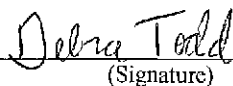
LESSOR: Jeffrey Melichar

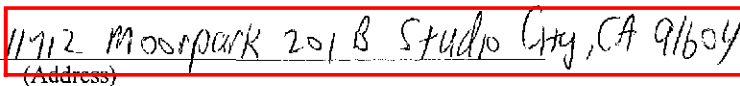
BY


(Signature)

(Signature)

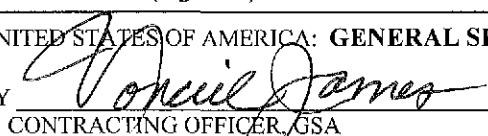
IN PRESENCE OF:


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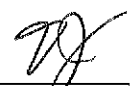

(Address)

UNITED STATES OF AMERICA: GENERAL SERVICES ADMINISTRATION, Public Buildings Service:

BY


CONTRACTING OFFICER, GSA

9. The Lessor shall have 150 calendar days from the receipt of the Government's Notice to Proceed to complete the build-out of the entire space. All items specified in Lease Agreement and as delineated on the Government Approved Design Intent Drawings shall be provided by the Lessor.
10. **OPERATING COST:** Pursuant to Paragraph 4.3, "Operating Costs", the base rate for purposes of operating cost escalation is established at \$6.94 per rentable square foot per annum.
11. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.4, "Adjustment for Vacant Premises", in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$3.60 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 4.2, "Operating Costs."
12. **OVERTIME USAGE:** Pursuant to Paragraph 4.5, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (7:00 a.m. – 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours")), at a rate of \$30.00 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice quarterly to GSA Building Manager or designee located at the West Los Angeles Field Office, 11000 Wilshire Boulevard, Room 7100, Los Angeles, CA 90024-3619, to receive payment.
13. **24 HOUR ROOMS:** The Overtime Usage rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified by the Lease. This room will be separately metered and the charges for heating and cooling of these areas shall be paid at actual cost for after "Normal Hours". The Lessor must submit a proper invoice quarterly to GSA Building Manager or designee located at the West Los Angeles Field Office, 11000 Wilshire Boulevard, Room 7100, Los Angeles, CA 90024-3619, to receive payment.
14. **TENANT IMPROVEMENT ALLOWANCE:** The maximum Tenant Improvement Allowance has been established by Paragraph 3.2, "Tenant Improvements Included in Offer." The Tenant Improvement Allowance shall be \$109,044.00 (\$12.00 rounded per ABOA) amortized 60 months at 8% payable monthly at the rate of \$2,211.02 per month or \$26,532.23 annually (\$2.83 per RSF / \$2.92 per ABOA) and is included in the annual rent payment identified in Paragraph 3 of this lease. Pursuant to Paragraph 3.3, "Tenant Improvement Rental Adjustment", the Government, at its sole discretion, shall make all decision as to the usage of said Tenant Improvement Allowance.
15. **BUDGET AND PRICE PROPOSALS/CONSTRUCTION SCHEDULE:**
- A. If Lessor is preparing the Design Intent Drawings, then Lessor shall submit to the Government a budget proposal together with the Design Intent Drawings in accordance with SFO Paragraph 5.12 (B), "Design Intent Drawings." The budget proposal must be submitted in Construction Specification Institute (CSI) Format.
 - B. The price proposal required to be provided by Lessor in SFO Paragraph 5.12 (E), "Tenant Improvements Price Proposal," must be based upon the results of a competitive proposal process meeting all of the requirements of SFO Paragraph 5.12, B (1) through (9), entitled, "Tenant Improvements Pricing Requirements." The Government has the right, but not the obligation, to accept cost or pricing data as described in GSA Form 3517 in lieu of a competitive price proposal.
 - C. Failure to submit these budget and price proposals referenced above will constitute Lessor delay. In the event that either the budget proposal or price proposal exceeds the Tenant Improvement Allowance specified in the Lease, then the construction schedule shall be revised to afford the Government sufficient time to review and resolve the difference.
 - D. The construction schedule required in Paragraph 5.12 (F), "Construction of Tenant Improvements," of the SFO shall also include adequate time for additional review by the Government of revised design intent drawings and Working Drawings/Construction Drawings. All references to "working days" in Paragraph 5.12, "Construction Schedule and Acceptance of Tenant Improvements" of the SFO shall not include the period from December 15 through January 1 of any calendar year.
 - E. In addition to the submission requirements specified under Paragraph 5.12 "Construction Schedule and Acceptance of Tenant Improvements," Lessor shall provide to the Government the final total costs of the completed Tenant Improvements in CSI format 5 working days prior to "Substantial Completion". The space will not be considered acceptable for inspection until the Government receives the final tenant improvement costs.
16. **ACCEPTANCE OF SPACE:**
- A. The following is added to Paragraph 5.12 II (1), "Acceptance of Space and Certificate of Occupancy": Subsequent Government inspections and notification of the results of such inspections shall be made in accordance with the foregoing procedure. Time frames for subsequent inspections will be established by the Government.
 - B. Any items that have been identified at the acceptance of the space as punchlist items to be completed or corrected and which do not affect beneficial occupancy shall be completed by the Lessor within 30 calendar days of acceptance.

Initials:  & 
Lessor Government

- C. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

17. **OCCUPANCY REPORTS:**

- A. Building Systems: As part of its obligations under SFO, Paragraph 8.2 "Building Systems," of the SFO, the Lessor shall furnish at no cost to the Government a required building system report prior to the Government's occupancy of the Premises.
- B. Acoustical Requirements: As part of its obligations under SFO, Paragraph 6.8 "Acoustical Requirements" of the SFO, the Lessor shall furnish at no cost to the Government a required acoustical report prior to the Government's occupancy of the Premises.

18. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the General Services Administration Contracting Officer. This contract is between GSA and the Lessor. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of the lease agreement or authorized in writing by the GSA Contracting Officer. **If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation.**

19. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".

20. **WAIVER OF RESTORATION:** The Lessor hereby waives, releases and discharges, and forever relinquishes any right to make a claim against the Government for waste, damages, or restoration arising from or related to (a) the Government's normal and customary use of the leased premises during the term of the lease (including any extensions thereof), as well as (b) any initial or subsequent alteration to the leased premises, including cabling, or removal thereof, during the term of this lease (including any extensions thereof), where such alterations or removals are performed by the Lessor or by the Government with the Lessor's consent, which shall not be unreasonably withheld. The Government may, at its sole option, abandon property in the leased space following expiration of the Lease, in which case the property will become the property of the Lessor and the Government will be relieved of any liability in connection therewith.



21. **REQUIREMENTS FOR ALL BUILDINGS EXCEPTED FROM AN ENERGY STAR LABEL.**

1. If an Energy Star label building is not offered, a written statement addressing which energy efficiency and conservation improvements can be made to the building must be submitted within 60 days of lease award. If no improvements can be made, the offeror must demonstrate to the Government using the Energy Star Online Tools in the SFO paragraph, entitled "ENERGY EFFICIENCY AND CONSERVATION," why no energy efficiency and conservation improvements are cost effective. This explanation will be subject to review by the contracting officer.
2. Such improvements may consist of, but are not limited to, the following:
 - a. Heating, Ventilating, and Air Conditioning (HVAC).
 - b. Lighting Improvements.
 - c. Building Envelope Modifications.

Additional information can be found on WWW.GSA.GOV/LEASING under "Green Leasing."

3. The term "cost effective" means an improvement that will result in substantial operational cost savings to the landlord by reducing electricity or fossil fuel consumption, water, or other utility costs. The term "operational cost savings" means a reduction in operational costs to the landlord through the application of building improvements that achieve cost savings over the firm term of the lease sufficient to pay the incremental additional costs of making the building improvements.
4. If the offered space meets one of the statutory exceptions identified above, but the successful Offeror obtains the Energy Star label prior to occupancy (or no later than one (1) year after signing the lease for succeeding and superseding leases), the lessor is not required to renovate such space for the energy efficiency and conservation improvements that may have been agreed to in the lease.
5. The improvements required in section 1 above must be completed prior to occupancy.

22. The Government Occupies: 9,362 rentable square feet in a building with a total of 15,529 rentable square feet which equals 0.6029% of the building being occupied by the Government.

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Lessor & Government